

SENATE BILL 978
By Bryson

AN ACT to amend Tennessee Code Annotated, Title 20;
Title 23; Title 25, Chapter 1 and Title 29, Chapter
26, Part 1, relative to punitive damages.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 20, is amended by adding the following language as a new, appropriately designated part:

§ 20-14-201.

(a) Notwithstanding any provision of law or rule to the contrary, in any civil action if punitive damages are awarded, either by verdict or by settlement approved by the court, then the trial judge shall order the punitive damages to be paid in-full to the state of Tennessee for deposit in the state's general fund. Upon entering any such order, the trial judge shall promptly notify the state attorney general and reporter, on forms supplied by the administrative office of the courts, and shall briefly summarize the facts and circumstances of the case.

(b) Notwithstanding any provision of law or rule to the contrary, the claimant's attorney shall neither assess nor collect any fee, contingent or otherwise, measured by the amount or award of punitive damages in the civil action.

(c) Payment of the punitive damages to the state of Tennessee is not required until all appeals in the cause of action have been exhausted.

(d) If the award of the punitive damages is sustained or reduced on appeal, then it shall be the duty of the state attorney general and reporter to undertake all necessary and appropriate measures to ensure that the punitive damages, or the reduced amount thereof, are collected by the state and deposited in the state's general fund.

(e) In collecting the punitive damages, it is the legislative intent that the state attorney general and reporter shall not undertake any measure likely to impair the claimant's ability to collect compensatory damages awarded in the civil action.

SECTION 2. Tennessee Code Annotated, Section 29-26-120, is amended by deleting the language "of all damages awarded to the claimant." and by substituting instead the following:

of all compensatory damages awarded to the claimant.

SECTION 3. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to that end the provisions of this act are declared to be severable.

SECTION 4. This act shall take effect July 1, 2005, the public welfare requiring it.